

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7442

BILL NUMBER: SB 372

NOTE PREPARED: Feb 26, 2007

BILL AMENDED: Feb 22, 2007

SUBJECT: Study of Health Insurance Preauthorization Procedure.

FIRST AUTHOR: Sen. Simpson

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires the Department of Insurance (DOI) to study the current preauthorization practices and procedures and allows the DOI to study the standardization of other insurance matters. It requires the DOI to report to the Legislative Council before November 1, 2007, concerning the DOI's study findings.

Effective Date: July 1, 2007.

Explanation of State Expenditures: (Revised) The bill requires the DOI to conduct a study. The proposal will increase administrative expenses for the DOI. However, it is expected that the DOI will be able to conduct the study given its existing level of resources.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DOI.

Local Agencies Affected:

Information Sources:

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